



# City of Nevada City, California



## Economic Development Programs

Business Assistance Loan Program  
Microenterprise Financial Assistance Program  
Microenterprise Technical Assistance Services Program

All these programs are funded by a grant from the California Community Development Block Grant Program (CDBG) and are intended to benefit, in some manner, persons from a low income household. Low income is defined as a household that earns 80% or less than the County median income, adjusted for family size. See chart below for Nevada County's 2014 low income figures.

Family Size	1	2	3	4	5	6	7	8
80% of income	\$40,550	\$46,350	\$52,150	\$57,900	\$62,550	\$67,200	\$71,800	\$76,450

The programs have many rules and requirements. Guidelines for each program are available at City Hall, but a summary of each program is below:

### **Eligible Use of Funds**

- Furniture
- Fixtures
- Equipment
- Inventory
- Working Capital
- Construction and Façade Improvements: Could trigger prevailing wage labor rates. Must follow all City planning/building requirements. Environmental review required.

### **Business Assistance Loan Program (BA)**

- Loans up to \$105,000
- Requirement to create one job (34 hrs/wk) for every \$35,000 of loan funds
- Funds may also be used to keep a business from failing, in which case, the job creation requirement converts to job retention at the same ratio of one job (34 hrs/wk) for every \$35,000 of loan funds.

- 51% of jobs created/retained must be filled by a person from a low income household.
- Residency requirement for jobs created/retained.
- Start-ups are eligible to apply
- Application
  - Significant financial record requirements
  - Business plan required
  - Financially underwritten
  - Reviewed for approval by local loan committee and by the state CDBG program.

#### **Microenterprise Financial Assistance Program**

- Grants up to \$10,000
- Loans up to \$50,000
- Applicant owners must be from a low income household. Formal income screening process.
- Business must have five or fewer employees, including owner(s)
- Residency requirements
- Start-ups are eligible to apply
- Application
  - Significant financial record requirements
  - Business plan required
  - Financially underwritten
  - Reviewed for approval by local loan committee
- Business training and counseling required as a condition of funding

#### **Microenterprise Technical Services Program**

- Must be an eligible microenterprise business, or start-up. Self certification income screening process.
- Classes:
  - Taught by consultants from the Sacramento Small Business Development Center.
  - To begin the summer of 2014. Dates, times, and locations will be listed on this page.
  - A series of classes covering five basic business topics, which include:
    - Business Basics
    - Business Plan Guidelines
    - Financial Management for Small Businesses
    - Branding and Marketing
    - Social Media
- Counseling:
  - Provided by Sierra Commons
  - One-on-one counseling to be used in support of the classes or by itself
  - Counseling assigned on an “as needed basis.”